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SUBJECT: MEDIA REACTION ON CAFTA, MAY 09, 2005

¶11. On 05/07 the Tegucigalpa-based liberal daily "La Tribuna" published an op-ed by Gautama Fonseca entitled "Customs Union and CAFTA." "Juan Manuel Villasuso, Costa Rican economist, published in the newspaper 'La Republica' the following: 'Last's week Central American Customs Union is clearly a objective of the governments of the region. But CAFTA will affect negatively efforts so far.'"

"It will affect external customs, deviate commerce, change commercial legislation and will cause subordination on CAFTA's integration."

"Toward this reality, could we still be talking about Central American integration after CAFTA's approval?"

¶12. On 05/09 "La Tribuna" carried an op-ed by Selim Kassis, entitled "Mr. Maduro and CAFTA." "On July 1991, Mr. Maduro, was President of the Central Bank, said: 'Many businesses that thought they would be affected expressed optimism that a bigger market will bring them advantages.' This was said reference to a multilateral agreement with Central American countries. Also he said there will be stabilization and price decreases."

"Fourteen years later we now hear that CAFTA will be good if negotiated properly, but the previous experience was that he didn't stabilize the economy. We are now at the edge of misery."

"Either we are against or not for CAFTA, let's hope it will be signed when Mel Zelaya is president so there is transparency and real benefits to the Honduran people."

It also ran an editorial entitled "Duet." "Thanks to the information given by Antonio Saca we found out that the May 12 meeting in Washington to will talk only about CAFTA."

"What is not clear is the convincing power of Nicaraguan and Costa Rican presidents, when they haven't even convinced their own Congresses."

"So the rest of the Central American presidents will have an uncomfortable task to convince the U.S. Congress, with that duo they are dragging. Let's see if they can convince anyone there if they haven't been able to convince anyone here."

Pierce